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SUBJECT: PAKISTAN MEDIA REACTION: TOP STORIES, SECRETARY CLINTON'S VISIT, TERRORISM/MILITARY, ECON/BUSINESS, MISCELLANEOUS - OCTOBER 30, 2009

Summary: Secretary Clinton's ongoing visit to Pakistan continued to garner extensive coverage in all newspapers on Friday. Reports and photographs of her meetings with senior provincial officials of Punjab, PML-N leaders, civil society members, students and senior editors in Lahore, on the second day of her visit to Pakistan, were highlighted on the front-pages of all major dailies. The leading mass circulation populist Urdu daily "Jang," and the Lahore-based liberal English language newspaper, "Daily Times," published special supplements to mark the Secretary Clinton's Pakistan trip. Her remarks that the "Al Qaeda leadership is in Pakistan" and that "Pakistan's economy will take off, if ties with India normalize" made front-page headlines in almost all major newspapers. Also highlighted by all newspapers was Secretary Clinton's meeting with Pakistan Army Chief General Kayani, and her visit to the Shrine of Sufi Saint Bari Imam near Islamabad. In its editorial on the Secretary of State's visit, the prestigious English language newspaper, "Dawn," observed that Secretary Clinton is on a mission to "mend fences with the Pakistani public, media and opposition." Likewise, another daily, "The News," also termed her efforts to reach out and interact with ordinary people "a good omen." End Summary.

TOP STORIES

News Story: "Passport Of 9/11 Suspect Found In Militant Base" "Dawn" (10/30)

"A prominent member of the so-called Hamburg cell linked with 9/11 attacks was believed to be among senior Al Qaeda leaders involved with the Taliban fighting the Pakistani troops in South Waziristan. A green German passport belonging to Said Bahaji, a close associate of Mohammed Atta, the leader of the 9/11 hijackers, was among several documents which were found by Pakistani forces in a mud compound in Sherawangi village which was used by Taliban as their command and control base. There were also documents which showed presence of some other European nationals in the area." (Story also front paged in all newspapers)

News Story: "Al Qaeda Leadership In Pakistan: Hillary Clinton" "Daily Times" (10/30)

"The leadership of Al Qaeda is in Pakistan, U.S. Secretary of State Hillary Clinton said on Thursday. 'I find it hard to believe that nobody in your government knows where they are and couldn't get them if they really wanted to,' she added. 'Maybe that's the case; maybe they're not gettable. I don't know... As far as we know, they are in

Pakistan,' Clinton told senior Pakistani newspaper editors in Lahore." (Story also front paged in all newspapers)

News Story: "Hit Terror More Aggressively, Says Hillary" "The News" (10/30)

"U.S. Secretary of State Hillary Rodham Clinton said on Thursday that Pakistan had little choice but to take a more aggressive approach to combating the Taliban and other insurgents that threaten to destabilize the country. With the country reeling from Wednesday's devastating bombing in Peshawar, Clinton engaged in an intense give-and-take with students at the Government College of Lahore, insisting that inaction by the government would have ceded ground to terrorists.... 'Though the terror war is being fought on your (Pakistan) land, but it is not Pakistan's war alone; Pakistan is fighting on the front and the U.S. stands by it.' She observed if peace was restored between Pakistan and India and their mutual disputes were resolved, Pakistan would take off as a rocket in terms of economic development." (Story also front paged in all newspapers)

SECRETARY CLINTON'S VISIT

News Story: "Nawaz Urges Hillary To Remove Reservations Over Aid Bill" "The News" (10/30)

"PML-N Quaid Nawaz Sharif, during a meeting with U.S. Secretary of State Hillary Clinton on Thursday, stressed the need for establishing Pak-U.S. ties on the basis of mutual trust. He said that Pakistan had been an important ally of the U.S. and the two countries had cooperated on many key global issues. The U.S. secretary of state tried to do away PML-N leaders' reservations over

the Kerry-Lugar Law, saying the U.S. realized the reservations of the people of Pakistan. 'That was why the U.S. government had issued an explanatory note on it,' she added." (Story also front paged in all newspapers)

News Story: "Hillary Meets Kayani, Assures Boosting Defence, Strategic Ties" "Pakistan Observer" (10/30)

"U.S. Secretary of State Hillary Clinton called on Chief of Army Staff General Ashfaq Parvez Kayani here at GHQ on Thursday evening. During meeting, issues pertaining to Pak-U.S. strategic relations including Pak-U.S. cooperation in war on terror, Operation Rah-e-Nijat and situation of Afghanistan were discussed in length."

News Story: "Clinton Visits Bari Imam Shrine" "Daily Times" (10/30)

"U.S. Secretary of State Hillary Clinton visited shrine of Saint Bari Imam Thursday morning. On arrival, children presented the U.S. state secretary bouquet. She later laid floral wreath on the saint's grave and distributed food among devotees."

News Story: "Clinton Pledges \$289.5m For Four Sectors" "Daily Times" (10/30)

"During a meeting with Prime Minister Yousuf Raza Gilani, U.S. Secretary of State Hillary Clinton pledged \$289.5 million support in four different sectors. According to a press release issued by the U.S. Embassy on Thursday, the four sectors included law enforcement and border security programs which would receive \$103.5 million, the Benazir Income Support Program would get \$85 million, \$56 million for the rehabilitation of displaced persons and the Higher Education Commission would receive \$45 million. Clinton also announced the delivery of five additional Huey II helicopters to the Air Wing of the Ministry of Interior and a new funding for operations and maintenance support for the expanded fleet."

News Story: "We Will Keep Assisting Pakistan Against Terror: Hillary" "Dawn" (10/30)

"U.S. Secretary of State Hillary Clinton answered critical questions on U.S. policy at a town hall meeting in Pakistan on Thursday, unveiling cash for universities and calling for peace with India.... Following previous announcements of cash for poverty, border

security and energy development, she pledged a 45-million-dollar investment for higher education in Pakistan.... Clinton, who says the United States wants to 'turn the page' on its relationship with Pakistan, is devoting significant energy to public diplomacy to counter rising Pakistani criticism of the alliance with Washington.... Clinton has already committed 85 million dollars to countering poverty, 125 million dollars to improving Pakistan's woefully inadequate electricity supply and 104 million dollars to law enforcement and border security assistance."

News Story: "Kerry-Lugar Aid Will Improve People's Living Standard: Hillary" "Daily Times" (10/30)

"The Kerry-Lugar legislation will improve the living standard of the people of Pakistan, U.S. Secretary of State Hillary Clinton said on Thursday, adding the aid package will not address sovereignty and national security issues."

News Story: "Clinton All Praise For Gilani" "The News" (10/30)

"U.S. Secretary of State Hillary Clinton termed Prime Minister Yousuf Raza Gilani the magician of politics when she heard that he was unanimously elected as the leader of the house in parliament last year and was running the house with consensus since then with the confidence of the establishment and the masses alike."

News Story: "Hillary Clinton To Meet Parliamentarians Today" "Daily Times" (10/30)

"U.S. Secretary of State Hillary Clinton will meet Parliamentarians and a delegation from the NWFP today (Friday)."

Editorial: "Hillary Clinton's Visit" an editorial in the Karachi-based center-left independent national English daily "Dawn"

(cir. 55,000) (10/30)

"U.S. Secretary of State Hillary Clinton is in Pakistan on a mission, it seems, to mend fences with the Pakistani public, media and opposition. Ms. Clinton is the highest-ranking official of the Obama administration to have visited Pakistan in an attempt to mollify detractors here who have been aggrieved by the strictures contained in the Kerry-Lugar bill and the army and the government's role in the 'U.S. war on terror'."

Editorial: "Bridging The Gap" an editorial in the populist, often sensational national English daily "The News" (cir. 55,000) (10/30)

"Hillary Clinton is clearly on a mission in Pakistan. She is obviously eager to set Pakistan-U.S. relations on the right footing after the angst created by the Kerry-Lugar Bill.... Ms Clinton's challenge to extremists, to come forward and let the Pakistani people decide, brought out the degree to which the U.S. is aware that extremism is not favored by people. In this context the efforts made by the U.S. Secretary of State, despite immense security concerns, to reach out and interact with ordinary people are a good omen.... Hillary Clinton spoke several times of winning over hearts. Perhaps she and her staff, for her next visit, should also keep in mind that the blocking of roads and the consequent problems imposed on people are one way to lose goodwill rapidly!... These may be minor considerations, but they all play a part in winning over people and persuading them to see friends where at present many see enemies."

Editorial: "Hillary's Visit" an editorial in the Lahore-based liberal English daily "The Post" (cir. 5,000) (10/30)

"One reading of the U.S. foreign policy says that as far as Pakistan is concerned, the broad contours of U.S. engagement with Pakistan remain the same, no matter who occupies the oval office. This perception has to change. Hillary visit will be seen as successful if she is able to show to the government and people of Pakistan that the U.S. understands the critical situation Pakistan finds itself in. If the U.S. government realizes that Pakistan is in deep waters and has to be helped out if the terrorists are to be eliminated, it should be treated as an equal partner in the war against terrorism.... The U.S. administration will have to reverse the

policies that proved harmful to the interests of the U.S. as well as Pakistan and open up both in political and economic terms."

Editorial: "Pointless Symbolism" an editorial in the center-right national English daily "The Nation" (cir. 20,000) (10/30)

"When asked about the illegal activities of U.S. diplomats in the Capital she simply declared she did not know anything of this. Now given that all U.S. diplomats come under the State Department and Ms. Clinton is the Secretary of State, it is astonishing to find that she was ignorant on what has become a major diplomatic issue in Pakistan. All in all, if Ms Clinton really wants to win over the Pakistani nation to thinking positively about the U.S., she will have to tackle these contentious issues as well as stop the diatribes and warnings regarding our nukes. The time for beguiling the people of Pakistan with symbolism is long over; it is time to show intent through actions."

Editorial: "Hillary Clinton's Visit To Pakistan And Its Implications; We Need National Dignity Today More Than Ever" an editorial in the second-largest, nationalist Urdu daily "Nawa-i-Waqt" (cir. 150,000) (10/30)

"Secretary of State Hillary Clinton's meaningful silence vis-à-vis Peshawar blast strengthens the impression about American and Indian intelligence agencies involvement in such incidents.... The al-Qaeda and Taliban have announced dissociation from the Peshawar blast, which creates the impression that a deep conspiracy was present behind the Peshawar blast on the occasion of Hillary Clinton's Pakistan trip.... National pride demands that we ask American Secretary of State to take the American aid and U.S. military back to America. She should be told that we cannot sell our freedom and independence for American aid."

Editorial: "Hillary Clinton's Remarks And Pakistan's Reservations" an editorial in the center-right Urdu daily "Pakistan" (cir. 10,000)

(10/30)

"We welcome Secretary of State Clinton's statement that America wants to end misunderstanding and open up a new of Pakistan-U.S. relations. America should take practical steps to end Pakistan's reservations.... America's recent steps include removal of American check posts at Pak-Afghan border and it must end the apprehensions created by the step.... If America's imposing attitude, actions and partiality did not end then Pakistanis would be right to look at 'new chapter' talk as mere noisemaking."

Editorial: "Hillary Clinton's Visit To Pakistan And Pak-U.S. Relations" an editorial in liberal Urdu daily "Express" (cir. 25,000) (10/30)

"America should compensate for all the losses Pakistan incurred in the war against terrorism.... The Secretary of State has announced to help Pakistan in combating the energy crisis, but it seems that Pakistan's other needs have been ignored. American Secretary of State did not talk about Pakistani products access to American markets, which has been a demand by Pakistan."

Editorial: "U.S. Secretary of State's Visit To Pakistan" an editorial note in the Lahore-based populist center-right Urdu daily "Khabrain" (cir. 50,000) (10/30)

"Looking at the difficulties people faced the other day due to the visit we are constrained to ask as to what was the need for her Pakistan visit if she felt threatened to this extent.... When asked she evaded the question about American's illegal activities in Pakistan. Pakistanis are right to raise questions about our freedom and sovereignty in the backdrop of the drone attacks and American armed troops patrol on Islamabad streets."

Editorial: "Clinton Hints At Talks With Taliban" an editorial in the Islamabad-based rightist English daily "Pakistan Observer" (cir. 5,000) (10/30)

"Secretary of State Hillary Clinton has given an indication that the United States is willing to talk with those Taliban who give up

armed struggle and agree to adopt peaceful and democratic path. This reflects a change in the thinking of Washington in the wake of domestic pressure and ever increasing losses in fighting.... A deal could be reached with the Taliban if America gives a firm commitment to withdraw from Afghanistan and in return seeks a guarantee that Al-Qaeda would not be allowed to operate or launch attacks against any country from the Afghan soil."

News Analysis: "Just Say No" an op-ed by Ikram Sehgal in the populist, often sensational national English daily "The News" (cir. 55,000) (10/30)

"Hillary Clinton's ongoing visit to Pakistan must be seen in the context of a awareness in the Obama administration that there was something fundamentally wrong in the U.S. treatment of Pakistan, that 'turning a new page' was necessary to lay out the parameters of our future relationship.... During the course of the discussions, Hilary Clinton at one time said that if we did not want the aid it was not compulsory for us to accept it, nobody was forcing us to take the financial support being offered. One is aware about her 'war against drugs' during the time Bill Clinton was President and she the First Lady. The catch-phrase she used was 'Just Say No'. Pakistan should indeed be really grateful for the economic aid and with the utmost gratitude accept Title I of the KLB without reservations. As far as the 'Security Assistance' being offered under Title II of the KLB, we should 'Just Say No'."

TERRORISM/MILITARY ISSUES

News Story: "11 Militants Killed As Troops Surround Kaniguram" "The News" (10/30)

"Continuing their advance towards Srarogha, the stronghold of Tehrik-e-Taliban Pakistan (TTP) head Hakimullah Mehsud, security forces said they had killed 11 militants and lost one soldier with two others injured on Thursday, the 13th day of the operation Rah-e-Nijat. However, reporters and cameramen of television channels flown to South Waziristan and taken on a guided visit to several

points quoted the security forces as claiming that 82 militants were killed in the fighting."

News Story: "Forces Repel Simultaneous Attacks In Bajaur" "The News" (10/30)

"Official sources said that militants in groups simultaneously attacked the security forces' check-posts in various areas of Bajaur Agency on Thursday. The security forces claimed killing several militants during clashes."

News Story" "Bombing Toll Hits 116" "The News" (10/30)

"The death toll from the Meena Bazaar bombing reached 116 while over 20 people were still missing and believed buried under the rubble that could not be removed due to lack of sophisticated equipment.... TTP Chief Hakimullah Mehsud, in an interview with media, had accused the Americans and U.S. private army Xe or Blackwater for the terrorist act."

News Story" "New U.S. Policy To Raise Aid For Pakistan" "Dawn" (10/30)

"The new U.S. policy for the Pak-Afghan region will be a combination of continued military presence in Afghanistan and an increase in military and economic assistance to Pakistan, officials and lawmakers say. U.S. President Barack Obama holds his final meeting with his senior military advisers on Friday to finalize the policy."

Editorial: "Pakistan's War For Survival" an editorial in the Lahore-based liberal English language daily "Daily Times" (cir. 10,000) (10/30)

"The root cause of war is in fact clear and present: the terrorists are killing our women and children. They are damaging our economy by scaring away domestic and international investment. They want

Pakistan to collapse into a 'state of nature' to serve them as the hub of their global terror. Pakistan has to fight them and see to it that the international community is lined up behind it with every kind of support and sympathy."

Editorial: "After The Bombings" an editorial in the populist, often sensational national English daily "The News" (cir. 55,000) (10/30)

"The death toll from the blast that ripped through a crowded bazaar in Peshawar has risen to over 100.... The fact is that there is no guarantee at all that we will be able to swiftly overcome the monster of terrorism that is destroying society.... The situation we face today suggests we would do well to acquire it as fast as we can, with foreign help where necessary.... It is time to adopt other measures to cope with the bloodshed that takes place almost every day."

Editorial: "Peshawar Tragedy: For How Long We Will Continue to Pay This Price?" an editorial in the leading mass circulation populist, often sensational Urdu daily "Jang" (cir. 300,000) (10/30)

"The synchronization of the Peshawar bomb blast with the visit of U.S. Secretary of State Hillary Clinton would have dawned upon her that Pakistan is paying a very high price for its participation in the war on terror. A nation that has jeopardized its very existence in order to save its friends from illusory dangers reserves the right to take its allies into confidence regarding the negative effects of drone attacks, Kerry-Lugar Bill and the removal of the NATO check-posts on the Pak-Afghan border. The difference between the U.S. aid for Pakistan - which has rendered meritorious services in the war on terror and, resultantly, paid a very high price for this policy in terms of human and financial losses - and that for Kirgizstan for providing a single military base for this purpose speaks volumes about the sincerity of our old friends. On their part, our present and previous governments are also responsible for pushing the country into this grave situation because they failed to convey their point of view regarding the negative impacts of the U.S. policies in the region and the Indian conspiracies against Pakistan."

"U.S. Will Quit After Plunging Us Into War," an editorial in the popular rightist Urdu-language daily "Ausaf" (cir. 10,000) (10/30)

"Nowadays, the U.S. is considering to divide the Taliban between two groups; good Taliban and bad Taliban. Washington wants to negotiate with the 'good Taliban' in order to rid itself of the Afghan quagmire. In the past, whenever Pakistan struck some deal with the Taliban, the U.S. forced it to breach all such agreements. The Americans has planned to get the Pakistan army entangled in a battle against terrorists, which would result in a civil war in the entire Pushtun belt transcending the Pak-Afghan border, and then isolate themselves from this hell. It was well-conceived conspiracy to break up the state of Pakistan but our rulers failed to understand it. It would be better for us to negotiate with the Taliban before Washington begins to allure them."

Opinion: "War And Politics" an op-ed Shafqat Mahmood by in the populist, often sensational national English daily "The News" (cir. 55,000) (10/30)

"The U.S. could indeed help us to fight this home-grown insurgency better by making its attitude towards Pakistan clearer. It is not just a question of giving us money and arms, although given the state of our economy and the militancy challenge it is not something to sneer at. It could go further by giving greater respect to our sovereignty and not appear to assist our adversaries."

Opinion: "The Higher Direction Of War: Where Is It?" an op-ed Ayaz Amir by in the populist, often sensational national English daily "The News" (cir. 55,000) (10/30)

"Pakistan and the U.S. engaging in a dialogue of equals? Well, adversity is a great equalizer. What the U.S. is now beginning to undergo in Afghanistan is a trauma. We may be a cash-strapped country with a perpetual begging bowl in our hands but America is stuck in a quagmire. Between a begging bowl and a quagmire there is not much to choose.... The Americans are telling us what to do,

which is strange given that they are not doing too well in Afghanistan. They should be listening rather than giving sermons. Being their allies, and taking more hits than they are, it is now time for us to tell them that their occupation can't last much longer. Sooner than they now think possible, it will have to be rolled back and other options examined. When they depart we will still be here. Bolstering Pakistan and its military should not be seen thus as a favor. From America's point of view it should be a strategic necessity."

ECON/BUSINESS

News Story: "Economy To Grow By 2.5-3.5 pc In 2009-10: SBP" "The News" (10/30)

"The State Bank of Pakistan (SBP) on Thursday said that Pakistan's GDP growth is projected to remain between 2.5 per cent and 3.5 per cent during 2009-10 if the manufacturing and agricultural sectors performed well."

MISCELLANEOUS

News Story: "No Pre-Conditions For Talks: Singh" "Dawn" (10/30)

"Indian Prime Minister Manmohan Singh said in Srinagar on Thursday that there were no pre-conditions for talks with Pakistan but cautioned they could make headway without 'effective control' of the terror groups operating across the border."

News Story: "Pakistan Welcomes India's Readiness To Resume Dialogue: FO" "Dawn" (10/30)

"Commenting on Indian Prime Minister Manmohan Singh's recent statement expressing readiness to discuss with Pakistan all issues, including Jammu and Kashmir, a Foreign Office spokesman said this was a welcome reiteration of the understanding reached at the Sharm-El Sheikh summit between Pakistan and India."

(All circulation figures are based on estimation)

Patterson